

THE STATE BAR OF CALIFORNIA AGRIBUSINESS COMMITTEE MEETING

March 24, 2006

MINUTES

A regular meeting of the Agribusiness Committee of the Business Law Section of The State Bar of California ("Committee") was duly held at 10:00 a.m. on Friday, March 24, 2006 at the Davis Hallmark Inn located at 100 F Street, Davis California 95616.

The meeting was called to order at 10:00 a.m. by Joe Martinez and Jerome Politzer, Committee Co-Chairs. The following Members of the Committee were present at the meeting ("Members"): Joe Martinez, Jerome Politzer, Steve Tripp, Bart Botta, Sam Zanutto, Nina Ortega, Renee Robin, Denis Klavdianos, April Pearson, Reid Everett, Tom Mouzes and Joe Marchini. The following guests of the Members of the Committee were also present at the meeting: Judge Jorge Carrillo.

The first matter of business was a report given by Jerome Politzer regarding the Business Law Section's Long-Range Planning Retreat, which was held March 10-12, 2006 in Monterey, California. The Committee was informed of the Business Law Section's on-going efforts to maintain updated membership records. All members of the Committee were asked to submit completed State Bar Member Profiles pursuant to the instructions distributed by the Business Law Section. A copy of the Business Law Section's instructions was distributed to all of the members of the Committee. The Committee was also informed of the Business Law Section's on-going efforts to solicit substantive articles and(or) other written work product from the members of the various Business Law Section committees. All members of the Committee were asked to consider submitting proposals for substantive articles and(or) other written work product relating to agribusiness matters.

The second matter of business was the approval of a Motion accepting the Minutes from the previous meeting of the Committee held on February 24, 2006. The Minutes of the February 24, 2006 meeting of the Committee were read by the Committee's oral historian and, upon motion duly made and seconded, were unanimously approved. It was noted that the approved Minutes of the January 20, 2006 and February 24, 2006 meetings of the Committee were posted on the Agribusiness Committee page of the Business Law Section Website.

The third matter of business was the approval of a Motion to limit the number of attendees for certain upcoming meetings of the Committee. The Motion to limit attendance at the April 21, 2006 meeting in Newport Beach (30 attendees maximum), the May 19, 2006 meeting in Fresno (50 attendees maximum) and the June 16, 2006 meeting in Los Angeles (35 attendees maximum) was discussed by the members of the Committee and, upon motion duly made and seconded, was unanimously approved. It was noted that the April 21, 2006 meeting in Newport Beach would be held at the offices of Rynn & Janowsky if 15 attendees or less were to RSVP, but that the meeting would be held at the offices of Western Growers if more than 15 attendees were to RSVP. It was also noted that the June 16, 2006 meeting in Los Angeles would be moved to the offices of Jeffer Mangels Butler & Marmaro LLP. Finally, it was noted that the members of the Committee would be given updated information in advance of each such meeting.

The fourth matter of business was a general discussion regarding the Business Law Section's Website and E-mail capabilities. It was noted that the Business Law Section's Website permitted the use of a global e-mail notification to distribute information from any committee to all of the members of the Business Law Section. It was also noted that a template form "AgriBusiness Committee E-Bulletin" had been prepared by the Business Law Section for use by the Committee in connection with such purposes.

The fifth matter of business was a general discussion regarding the goal of increased active membership for the Committee. There was consensus among the members of the Committee that the goal of increased active membership for the Committee would be best served if the following two strategies were implemented: (a) law firms and other legal employers should be encouraged to designate junior attorneys to attend meetings of the Committee in lieu of senior attorneys when schedule conflicts prevent senior attorneys from attending meetings of the Committee, and (b) law firms and other legal employers of under-represented groups should be encouraged to join the Committee as first-time members.

The sixth matter of business was a general discussion regarding proposed legislation from the Committee for certain amendments to California Food and Agricultural Code sections 55407 et seq. (governing producer's liens). The February 9, 2006 memorandum from Tom Mouzes was circulated to the members of the Committee and the following three areas of concern were identified: (a) the term "processing" should be defined in California Food and Agricultural Code sections 55407 et seq. (although it is currently referenced in the California Code of Regulations that supplement California Food and Agricultural Code sections 55407 et seq.), (b) the persons who are afforded rights to assert and enforce producer's liens under California Food and Agricultural Code sections 55407 et seq. should be expanded, and (c) the civil and criminal penalties for violations of California Food and Agricultural Code sections 55407 et seq. should be enhanced. Tom Mouzes agreed to prepare a preliminary draft of the proposed legislation text for the Committee's further review and comment at the next meeting of the Committee on April 21, 2006. The Co-Chairs noted the need to meet the State Bar of California Business Law Section's June 2006 deadline for submission of final proposed legislation text.

The seventh matter of business was a presentation to the Committee entitled "Economic Issues Facing Agriculture/AgriBusiness" given by Professor Steven Blank of the Agricultural and Resource Economics Department at the University of California at Davis. In connection with his presentation, Professor Blank distributed an article that he authored, entitled "A Portfolio of Threats to American Agriculture." The Committee was then given an account of the economic problems that have caused the decline of agriculture in the United States of America, including, falling profits for commodity producers, falling prices for agricultural commodities and rising input costs. The Committee was also given an account of the strategies used by agricultural commodity producers in the United States of America to improve profit margins. Finally, the Committee was given an account of the resulting structural changes in the agricultural commodity industry in the United States of America, as well as the managerial implications and future legislative policy implications thereof. An enlightening question and answer period followed the conclusion of Professor Blank's presentation.

The meeting was then temporarily adjourned so that the members of the Committee and their guests could have lunch with Professor Steven Blank and Professor James Grieshop.

The meeting was thereafter reconvened for the purpose of completing the remaining item on the agenda of the Committee.

The final matter of business was a presentation to the Committee entitled “Social Issues Facing Agriculture/AgriBusiness” given by Professor James Grieshop of the Agricultural and Resource Economics Department at the University of California at Davis. The Committee was given an account of the social problems that have followed the rise and the decline of agriculture in the United States of America. The Committee was also given an account of the strategies used by labor unions and other social organizations to improve quality of life matters for agricultural laborers. Finally, the Committee was invited to engage in a discussion with Professor Grieshop regarding the current and future legislative policy implications of guest-worker programs in the United States of America, in general, and in the agricultural commodity industry, in particular. An enlightening question and answer period followed the conclusion of Professor Grieshop’s presentation

There being no further business, the meeting was adjourned at 2:00 p.m.

Respectfully submitted,

Joe Martinez
Co-Chair and Meeting Recording Secretary